



FORECLOSURE SALE 83 UNIT APARTMENT COMPLEX IN MOBILE, ALABAMA

CENTER RIDGE APARTMENTS

Is offered for sale at foreclosure.



Bids will be accepted orally at: 12:00pm
local time on April 7, 2004

at: the front door of the
Mobile County Courthouse
109 Government Street
Mobile, Alabama 36602



U. S. Department of Housing and
Urban Development

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- | | |
|--|---|
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| <input checked="" type="checkbox"/> ATTACHMENT B - Terms and Requirements of
Foreclosure Sale - Acknowledgment by Bidder | <input checked="" type="checkbox"/> ATTACHMENT E - Repair Summary and |
| <input checked="" type="checkbox"/> ATTACHMENT C - Foreclosure Use Agreement | <input type="checkbox"/> ATTACHMENT F - Environmental Information |
| | <input type="checkbox"/> ATTACHMENT G - Additional property |

FORMS REQUIRED TO COMPLETE BID AND PURCHASE

THESE FORMS ARE AVAILABLE AT http://www.hudclips.org/sub_nonhud/html/forms.html

- | | |
|--|---|
| <input checked="" type="checkbox"/> Previous Participation Certificate (Form HUD-2530)
for proposed owner | <input type="checkbox"/> Management Entity Profile (Form HUD-9832) |
| <input type="checkbox"/> Personal Financial and Credit Statement (Form
92417) for each proposed principal and/or general
Partner | <input type="checkbox"/> Management Certification for Multifamily Housing
Projects (Form HUD-9839 A & B) |
| <input type="checkbox"/> Affirmative Fair Housing Marketing Plan (Form
935.2) | <input type="checkbox"/> Project Owner's/Borrower's Certification (Form
HUD-9839 C) - For elderly housing projects
managed by Administrators only |

SECTION 1 - INTRODUCTION AND GENERAL INFORMATION

1. **DEFINITION OF INVITATION FOR BID** - This document, including attachments, exhibits, and any amendment thereto, constitute the Invitation for Bid (Invitation) for **Center Ridge Apartments**, FHA Number; **062-35044**. PROPERTY AT A GLANCE, Attachment A to this Invitation, contains a summary of facts, figures, and most terms of the sale. This Invitation also includes a list of the forms necessary to complete a responsive bid.
2. **BID RESPONSIVENESS** - A bid must be responsive to the terms of the sale. To be considered for award, a bid must comply in all material respects with this Invitation. Each bid on its face shall be firm, unconditional, responsive, fixed in one amount certain, and not in the alternative. Special conditions, alterations, or deletions will render a bid non-responsive. The terms of the foreclosure sale are those set out in the Invitation for Bid, especially the Terms and Requirements of Foreclosure Sale - Acknowledgment by Bidder (Acknowledgment) and Foreclosure Sale Use Agreement. Lack of earnest money deposit, as required by this Invitation, will be cause for bid rejection.
3. **SALE TO HIGHEST QUALIFIED BIDDER** - Sale of this project will be made to the highest responsive, qualified Bidder.
4. **NO REDEMPTION PERIOD** - This sale is not subject to redemption by the previous owner.
5. **BID ACCEPTANCE OR REJECTION** - HUD reserves the right to reject any and all bids, to waive any informality in any bid received, and to reject the bid of any Bidder HUD determines lacks the experience, ability or financial responsibility needed to own and manage the project.
6. **CANCELLATION OF SALE** - HUD reserves the right to cancel this Invitation for Bid and/or reject any and all bids.
7. **BIDDER'S DUE DILIGENCE** - Bidders are encouraged to perform their own due diligence to gain a full understanding of the project and the conditions of sale before submitting a bid.
8. **POST-CLOSING REQUIRED REPAIRS** - Repair requirements that must be completed after closing, if applicable to this sale, are included in the Form HUD-9552, Post-Closing Repair Requirements, and Exhibits, Attachment E, to this Invitation. The repair requirements listed in Attachment E survive the sale and will be recorded with the Deed. **NOTE:** the Form HUD-9552 and exhibits reflect **cost estimates** of the required repairs.

While care has been exercised to assure accuracy, all information provided is solely for the purpose of permitting parties to determine whether or not the property is of such type and general character as might interest them in its purchase, and HUD makes no warranty as to the accuracy of such information. The failure of any Bidder to inspect, or be fully informed as to the condition of all or any portion of the property being offered, or condition of sale, will not constitute grounds for any claim, demand, adjustment, or withdrawal of a bid.

9. **RECORDATION OF CERTAIN DOCUMENTS** - Attachment E, Post Closing Repair Requirements (Form HUD-9552) and attachments, if provided herein, and Attachment C, Foreclosure Use Agreement with riders, will be recorded with the Deed.
10. **SOURCE FOR ADDITIONAL INFORMATION** - Should you need further information, please call the contact person indicated in the Property at a Glance.

SECTION 2 - FORECLOSURE SALE PROCEDURES AND SUBMISSION OF BIDS

1. **GENERAL** - In order to submit a responsive bid to this Invitation, a Bidder must submit the items indicated in this Section. All the required forms are listed.
2. **BIDDING AT THE FORECLOSURE SALE** -
 - (a) The foreclosure sale is an oral, open bid sale that takes place at the date, time and place indicated in the attached Property at a Glance.

- (b) The Bidder must either:
 - (i) State a bid price orally at the sale, **or**
 - (ii) Submit a written bid to the person that conducts the sale two (2) business days before the date of sale. Written bids, if received, will be read aloud at the sale before oral bids are accepted. Only the person that submitted the written bid, or an agent thereof may raise a written bid price. Please call the contact person indicated in the Property at a Glance for details regarding submitting a written bid.

3. **ITEMS THAT MUST BE SUBMITTED AT THE FORECLOSURE SALE**

- (a) Acknowledgment - Immediately after the foreclosure sale has been completed, the high Bidder must submit **ONE** signed copy of the Terms and Requirements of Foreclosure Sale - Acknowledgment by Bidder to the person that conducts the foreclosure sale.
 - (b) Earnest Money Deposit
 - (i) The earnest money deposit, for not less than the amount specified in the Property at a Glance, must be submitted prior to presenting an oral or written bid.
 - (ii) The deposit must be in the form of a money order, certified, cashier's or other banker's check payable to: **THE SECRETARY, U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**
 - (iii) No other method of payment for the earnest money deposit is acceptable
 - (iv) A financial organization submitting a bid on its own behalf must have the earnest money deposit drawn on a separate financial organization.
 - (v) Lack of proper deposit will be cause for rejection of the bid by HUD.
 - (vi) Immediately following the sale, earnest money will be returned to those whose bids have been rejected.
4. **CORRECTIONS** - Any changes or erasures made to a written bid may be made by the Bidder only and must be initialed.
5. **TELEGRAPHIC OR FACSIMILE BIDS** - Telegraphic or facsimile bids and/or bid modifications will not be considered for award.
6. **VERBAL NOTIFICATION TO THE HIGH AND SECOND HIGH BIDDER** - The high and second high Bidder will be notified verbally of their bidding positions by the person that conducts the foreclosure sale immediately after the foreclosure sale is completed.
7. **REJECTION OF LOWER BIDS** - All bids other than the high bid will be rejected verbally at the foreclosure sale by the person that conducts the foreclosure sale.

SECTION 3 - POST FORECLOSURE SALE PROCEDURES

- 1. **CONTINUATION OF OFFERS** - The high bid shall be deemed to be a continuing offer from the time of the foreclosure sale until closing or bid rejection by HUD. The second high bid shall be deemed to be a continuing offer until execution of the Foreclosure Sale Use Agreement or until thirty (30) days after the foreclosure sale, whichever occurs first, unless HUD and the second high Bidder mutually agree to extend the offer. After the above activities have occurred, or the extension agreement has ended, the bid will be deemed to have expired.
- 2. **SUBMISSION OF POST-BID DOCUMENTS TWO (2) DAYS AFTER FORECLOSURE SALE** - Not later than two (2) Federal Government working days after being verbally notified at the foreclosure sale of being the high Bidder, the Bidder **must** submit the Previous Participation Certificate (Form HUD-2530) - for the proposed owner to the contact person identified in the Property at a Glance.
Failure to submit the required documents within the indicated time frame may be grounds for rejection of the bid.
- 3. **QUALIFICATION, ACCEPTANCE, REJECTION OF BID**
 - (a) HUD will review the high Bidder to determine if qualified to purchase the project.

- (i) If HUD approves the high Bidder as being qualified, the high Bidder will be confirmed as and identified as the Purchaser.
- (ii) If the high bid is rejected due to HUD's determination that the high Bidder is not qualified to purchase the project, HUD will notify the high Bidder in writing.
- (b) If HUD rejects the high Bidder, the second high Bidder will be given twenty-four (24) hours to submit the earnest money deposit and will be reviewed to determine if qualified to purchase the project.
 - (i) If HUD approves the second high Bidder as being qualified, second high Bidder will be confirmed as and identified as the Purchaser.
 - (ii) If the second high bid is rejected due to HUD's determination that the second high Bidder is not qualified to purchase the project, HUD will notify the second high Bidder in writing.
- (c) HUD's notification of rejection due to lack of qualifications, if applicable, shall be deemed to be given when mailed to the individual indicated in the Terms and Requirements of Foreclosure Sale - Acknowledgment by Bidder.
- (d) The written rejection of the bid will be made as promptly as possible and generally within thirty (30) days after the date of the foreclosure sale.

4. HANDLING OF THE EARNEST MONEY DEPOSIT

- (a) The earnest money deposit of the high Bidder will be held until HUD determines the high bid/Bidder to be acceptable. If HUD does not accept the high bid, the high Bidder's earnest money will be refunded.
- (b) Interest will not be paid on earnest money deposits.

5. SUBMISSION OF POST-BID DOCUMENTS TEN (10) DAYS AFTER FORECLOSURE SALE - Not later than ten (10) Federal Government working days after being verbally notified at the foreclosure sale of being the high Bidder, the Bidder must, if checked below, submit additional information to the contact person listed in the Property at a Glance.

- | | |
|--|--|
| <input type="checkbox"/> Affirmative Fair Housing Marketing Plan (HUD Form 935.2) | <input type="checkbox"/> Bidders Property Management Statement |
| <input checked="" type="checkbox"/> Form HUD- 2530 for Purchasing Entity, if different from bidding entity | The Bidder must complete and submit written statements of how the purchaser will: |
| <input type="checkbox"/> Form HUD- 2530 for the Managing Agent, if Applicable | (i) Satisfy the condition of the disposition; |
| <input type="checkbox"/> Personal Financial and Credit Statement (HUD Form 92417) - For each proposed and/or principal general partner | (ii) Implement a sound financial and management program; |
| <input type="checkbox"/> Management Entity Profile (Form HUD- | (iii) Respond to the needs of the tenants and work cooperatively with resident |
| <input type="checkbox"/> Management Certification (Form HUD- 9839 A & B) | (iv) Provide adequate organizational staff resources to the project. |
| <input type="checkbox"/> Project Owner's/Borrower's Certification Form 9839 C) - For elderly housing projects managed by Administrators only | <input type="checkbox"/> Statement of the services, maintenance and utilities that the bidder proposed to provide. |

FAILURE TO SUBMIT THE REQUIRED DOCUMENTS WITHIN THE INDICATED TIME FRAME MAY BE GROUNDS FOR REJECTION OF THE BID.

- 6. **REVIEW OF PROJECT MANAGEMENT** - HUD may elect to discuss project management plans after submission of the post-bid documents by the high Bidder.
- 7. **CLOSING DATE REQUIREMENT** - The closing date will take place within the time period specified, in accordance with the Acknowledgment, Attachment B.
- 8. **EXTENSION OF CLOSING** - The right to extend the sales closing is expressly reserved by HUD as set forth in the Acknowledgment, Attachment B.

SECTION 4 - CLOSING

1. **EXECUTION OF USE AGREEMENT** - The Bidder must execute Attachment C, "Foreclosure Sale Use Agreement," at closing. HUD will then execute the Agreement.
2. **CLOSING DATE AND PLACE** - The closing date and place shall be as determined by the person that conducts the foreclosure sale and/or HUD. The Bidder will be notified of said date and place by the person conducting the foreclosure sale.
3. **CASH DUE AT CLOSING** - Cash due at closing is the remainder of the purchase price less the earnest money deposit received, plus or minus any prorations. Cash due at closing includes all initial deposits to reserve accounts, if applicable.
4. **PRORATIONS** - There will be no prorations except for the proration of property taxes prepaid by HUD, if any.
5. **CLOSING EXPENSES** - Irrespective of local custom, the Bidder shall pay all closing expenses, including, but not limited to, all documentary stamp taxes, all recording fees, and any costs in connection with a review of title or title insurance as may be requested by the Bidder.
6. **METHOD OF PAYMENT** - Cash due at closing shall be paid in the form of a money order, certified, cashier's or other bank check made payable to: **THE SECRETARY, U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**, in accordance with the Acknowledgment, Attachment B.
7. **LETTER OF CREDIT** - If Post-Closing Repair Requirements described in Attachment E are included in this sale, the Bidder, at closing, shall provide HUD with an unconditional, irrevocable, and nondocumentary Letter of Credit (LoC), or a group of no more than five (5) LoCs, in the amount stated in the Property at a Glance. Such LoCs shall expire no earlier than six (6) months after completion of the stated required repairs. HUD will release the undrawn balance in the LoCs six (6) months after completion of repairs. Such undrawn balance shall be of an amount equal to ten percent (10%) of the original total amount of the LoCs.
8. **CONVEYANCE** - Conveyance of the project shall be by Special Warranty Deed from the person that conducts the foreclosure sale. The deed will not contain any warranty of title.
9. **RECORDATION OF DEED** - Either HUD or the Bidder (Purchaser) may record the Deed, at the discretion of the HUD Counsel. HUD shall record all other recordable documents. All recordation costs shall be at the expense of the Bidder (Purchaser).
10. **DOCUMENTS TO BE FURNISHED OR EXECUTED AT CLOSING**
☒ **Foreclosure Sale Use Agreement** ☒ **Letter(s) of Credit** ☒ **Closing Statement**
☐ **Other:**

SECTION 5 - DISCLAIMERS

1. **DISCLAIMER**
 - (a) Bidders interested in purchasing this project are expected to acquaint themselves with the property, and to arrive at their own conclusions as to; physical condition, number and occupancy of revenue producing units, estimates of operating costs, repair costs (where applicable), and any other factors bearing upon valuation of the property. Any bid submitted shall be deemed to have been made with full knowledge of all the terms, conditions and requirements contained in this Invitation for Bid and in any Addendum hereof.

(b) While care has been exercised to assure accuracy, all information provided is solely for the purpose of permitting parties to determine whether or not the property is of such type and general character as might interest them in its purchase, and HUD makes no warranty as to the accuracy of such information. The failure of any Bidder to inspect, or be fully informed as to the condition of all or any portion of the property being offered, or condition of sale, will not constitute ground for any claim or demand or adjustment or withdrawal of a bid.

2. **UNAUTHORIZED ORAL STATEMENT OR MODIFICATIONS** - Any oral statement or representation by any representative of HUD changing or supplementing this Invitation for Bid or Addendum hereof, or any condition hereof, is unauthorized and shall confer no right upon the Bidder (Purchaser).
3. **HUD LIABILITY** - In any case, with respect to any claim against HUD, the extreme measure of HUD's liability shall not, in any event, exceed refund of the purchase price, or such portion thereof as HUD may have received.



Property at a Glance

Center Ridge Apartments FHA# 062-35044

ADDRESS: **517 Dixie Street**
Mobile, AL 36617
 COUNTY: **Mobile**

EARNEST MONEY: **\$100,000**

SALES PRICE: **Unstated Minimum**

TERMS: **All Cash**

LETTER OF CREDIT: **\$719,247**

SALE TYPE: **Foreclosure Verbal Bid**

PROPERTY INFORMATION

Total Units	Residential	Commercial	Foundation:	Masonry/Concrete
83	Revenue 82	0	Roof:	Asphalt Shingle
	Non-Revenue 1		Exterior:	Painted Concrete Masonry Unit (CMU)
			Floors/Finish:	Concrete Slab on Grade / VCT

Elevator	Garden	Walk-up	Townhouse	Scattered Sites	Service Center	Mobile Home Park	Nursing Home	Vacant Land	Other:
	X								

Number of Buildings	Stories	Year Built	Rehab Year	Site Acreage	Approximate Net Rentable Area
18	1	1972	N/A	5.99	N/A

Mechanical Systems

Heating:	Air Conditioning
Fuel Gas	None
System Central	Windows
Hot Water:	
Fuel Gas	
System Individual	

Utilities

Public Water	X
Gas Main	X
Electric	X
Sanitary Sewer	X
Storm Sewer	
Septic Tank	

Parking

Street	Asphalt
Curb	Concrete
Sidewalk	Concrete
Parking Lot	Asphalt
Parking Spaces	40

Apartment Features

	Air Conditioning
	Dishwasher
	Microwave
	Garbage Disposal
X	Refrigerator
X	Range/Oven
	Drapes/Blinds

Community Features

	Garage
	Covered Parking
	Laundry Facility
X	Cable/Sat Hookup
	Playground
	Pool
	Community Space

Owner Expense

Cold Water
Refrigerator
Range (gas)
Refuse Removal
Parking

Tenant Expense

Electricity
Hot Water
Heat
Gas
Cable TV
Air Conditioner

OCCUPANCY

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2003	90%	94%	96%	95%	92%	93%	93%	30%	30%	30%	30%	
2002						88%	84%	84%	89%	94%	90%	87%

ESTIMATED ANNUAL RENTAL INCOME:

Number of Units	Type	Approx Square Feet	Current Rent	Estimated /Possible After Sale Rent	Estimated /Possible Total After Sale Rent	Total Estimated/Possible Annual Income
32	1 Bed	500	369	377	12,064	Rent 406,704
51	2 Bed	600	391	428	21,828	Commercial
						Parking
						TOTAL 406,704
						Estimated Annual Expenses
						Administrative 106,299
						Utilities 54,823
						Operating 69,175
						Taxes/Insurance 41,277
						Reserve/Replace
						TOTAL 271,574
TOTAL MONTHLY					33,892	

COMMENTS CONCERNING PROPERTY INFORMATION:

Due to the poor condition of the property, HUD is in the process of relocating the residents at the property. Currently, seven (7) units remain occupied. The relocation may not be completed at the time of the sale and conveyance of the property to the new owner. HUD will provide all current residents with the opportunity to relocate.

Due diligence should be performed in advance of submitting a bid. While care has been exercised to ensure accuracy, all information provided is solely for the purpose of permitting parties to determine whether or not the property is of such type and general character as to interest them in its purchase. HUD makes no warranty as to the accuracy of such information.

USE RESTRICTIONS

20 Years affordable housing. 2 Years rent cap protection for all applicable residents.

TENANT BASED SECTION 8

Housing choice vouchers will be issued to eligible residents of the complex by the public housing agency (PHA), N/A, selected to administer the voucher assistance by HUD. Housing choice vouchers are tenant-based assistance. Tenant-based assistance means that the subsidy follows the program participant and is not attached or connected to a specific project or unit. Therefore, the voucher assistance should never be considered a form of guaranteed rental subsidy for the property. The families are not obligated to use the housing choice vouchers at the property. **Therefore, there will be no project-based subsidy at this property.**

In addition, the processing of the voucher funding and the determination of family eligibility by the PHA may take several months following the closing of the sale. The PHA must also determine the owner's rent is reasonable and the unit meets the housing quality standards of the housing choice voucher program. If the rent is determined not to be reasonable in comparison to similar unassisted units in the market area, the family will have to move to receive voucher assistance. Voucher housing assistance payments for a unit may not under any circumstances cover any period before the date the PHA determines the unit meets the housing quality standards. Since the owner will not receive voucher housing assistance payments or increase the tenant's share of the rent during this period, bidders should take into consideration the time that may be necessary for voucher funding to become available, the PHA to determine family and unit eligibility, and the owner to complete any needed repairs when making an offer.

TERMS OF SALE

The purchaser must complete the repairs to HUD's satisfaction within 24 months after closing. The repairs are estimated to cost **\$2,876,989.**

Closing is to be held 30 days after HUD accepts the bid. If HUD authorizes an extension of the closing, the purchaser must pay a fee which is the greater of 1.5% of the purchase price or HUD's holding costs of **\$43.34** per unit per day for each 30 day period.

PROSPECTIVE BIDDERS SHOULD READ AND THOROUGHLY UNDERSTAND ALL INFORMATION PROVIDED HEREIN AND IN THE BID KIT PRIOR TO SUBMITTING A BID.

This is an "All Cash – As Is" sale. HUD is providing no financing for this sale. The purchaser must provide for payment of the full purchase price in cash at closing.

Submission of Bids: Bids for this property can only be considered for acceptance if submitted on the specific forms listed in the Bid Kit for this property, along with required earnest money. A Bid Kit may be obtained as indicated below.

Suspended or Debarred Parties: No consideration will be given to a bid submitted by any party currently suspended or debarred from participating in HUD programs. AS PROVIDED FOR IN 24 CFR, SEC. 27, THE DEFAULTING MORTGAGOR, OR ANY PRINCIPAL, SUCCESSOR, AFFILIATE, OR ASSIGNEE ON THE MORTGAGE AT THE TIME OF DEFAULT SHALL NOT BE ELIGIBLE TO BID ON OR OTHERWISE PURCHASE THIS PROPERTY. (Principal and Affiliate are defined at 24 CFR 24.105.)

INSPECTION OF PROPERTY AND BIDDING INSTRUCTIONS

Prospective bidders are urged and invited to inspect the property prior to submitting a bid. Note: If this is a foreclosure sale, HUD may not have access to the property. Bids for this property can only be considered if properly submitted by following the bidding instructions provided in the FREE INFORMATION and BID KIT.

The FREE INFORMATION and BID KIT may be viewed or printed at www.hud.gov/offices/hsg/mfh/pd/multifam.cfm. You may also sign up for our electronic mailing list at this web address. If you do not have access to the Internet or cannot download a PDF file, you may obtain a bid kit by calling (770) 512-4400, or faxing (770) 512-4466, or by email to "amt1570@kinkos.com".

BIDS for Center Ridge MUST BE PRESENTED ON: April, 7, 2004

at: 12:00pm local time
at: The front door of the
Mobile County Courthouse
109 Government Street
Mobile, AL 36602

HUD OFFICE:
Atlanta MFPD Center
Five Points Plaza
40 Marietta St.
Atlanta, GA 30303

REALTY SPECIALIST:
Bob Doran x2053,
Donald Winston x 2095
Phone: (404) 331-5001
robert_e._doran@hud.gov
donald_j._winston@hud.gov

ATTACHMENT B

TERMS AND REQUIREMENTS OF FORECLOSURE SALE - ACKNOWLEDGMENT BY BIDDER

PART I

BID PRICE - The Undersigned, _____, (the "Bidder") submits a bid of _____ dollars (\$) at the foreclosure sale of Center Ridge Apartments (the "Project", the legal description of which is included as Exhibit A of Attachment C, Foreclosure Sale Use Agreement) to be paid as follows:

1. \$100,000 in the form of a money order, cashier's or other bank check, as earnest money, which has been paid at the foreclosure sale to the person that conducts the foreclosure sale, and which shall not earn interest (the "Deposit"), **and**
2. \$ _____ the balance, to be paid by the Bidder at Closing, in the form of a cashier's or other bank check in accordance with this Acknowledgment. The Closing will be held at a place, date and time established in accordance with Section 4 below (the "Closing").
3. In addition to the above, the Bidder will be required to pay at closing all closing costs, regardless of local custom, and, where applicable, other deposits to reserve and/or letters of credit as described in Riders incorporated herein, the Invitation for Bid (Invitation), and the Foreclosure Sale Use Agreement (Use Agreement).

PART II

If selected as the high Bidder at or after the foreclosure sale, the Bidder, by executing this document (the "Acknowledgment"), acknowledges that the Bidder must comply with the following requirements as a condition to purchasing the Project:

1. **ACKNOWLEDGMENT OF TERMS** - Bidder affirms to have full knowledge of the all terms, conditions and requirements contained in this Acknowledgment and documents referred to herein, the invitation and Attachments, and the Notice of Default and Foreclosure Sale. Bidder must execute this document.
2. **EXECUTION OF USE AGREEMENT** - At Closing, Bidder will, in addition to any other documents, execute the Foreclosure Sale Use Agreement and all of the Exhibits to the Use Agreement as contained in the Invitation to Bid. Such documents will control the use of the Project for a specified period and will be recorded with the Deed and run with the land.
3. **PREVIOUS PARTICIPATION CERTIFICATION** - The high Bidder **must** submit within two (2) business days of the foreclosure sale, a completed and executed Previous Participation Certification (Form HUD-2530) for the proposed owner to the HUD Field Office contact stated in the Property at a Glance, Attachment A to the Invitation to Bid.
4. **ESTABLISHMENT OF CLOSING DATE, TIME AND PLACE**
 - (a) Time is of the essence.
 - (b) HUD will notify the Bidder and the person conducting the foreclosure sale (the "Foreclosure Official") after HUD determines that the Bidder has been approved to purchase this project under the Previous Participation Certification procedure. The Foreclosure Official will establish a time and date for the Closing. The Closing **shall be within thirty (30) days of such notification**, unless extended pursuant to Section 8.
 - (c) The Closing will take place at the HUD office stated in the Invitation or at such other place as may be agreed upon between HUD and the Foreclosure Official.
5. **CLOSING, CLOSING EXPENSES AND TRANSFER OF POSSESSION**
 - (a) The sale shall be effective upon Closing.
 - (b) Bidder (Purchaser) shall pay all closing costs and expenses irrespective of local custom.
 - (c) Transfer of title to and possession of the Property shall become effective as of the Closing.
6. **PAYMENT OF PURCHASE PRICE AT CLOSING** - The Bidder (Purchaser) shall pay the balance at Closing in the form of a cashier's or other bank check made out to:
THE SECRETARY, U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
The Closing will be held at a place, date and time established in accordance with Section 4 above.

7. LIQUIDATED DAMAGES - Should Bidder fail or refuse to perform all obligations under this Acknowledgement for any reason including, but not limited to, failure to establish the legal entity that is to take title in a timely manner that permits Closing within the deadline set forth in Section 4, the earnest money deposit and any extension fees, paid under Section 8, shall be remitted to and retained by HUD as liquidated damages.
8. EXTENSION FEES – Extensions of time to close the sale are within HUD’s sole and absolute discretion. Any extensions, if granted, will be on the following conditions:
 - (a) A written request for an extension must be received at the HUD office located at: Department of Housing and Urban Development, Five Points Plaza, 40 Marietta Street, Atlanta, GA 30303-2186 within **seven (7)** days prior to the prescribed closing date, or within any extension period and **must be accompanied by the payment** of the required extension fee. The request must state the reason for Bidder’s inability to close the sale within the initial period or any extended period.
 - (b) Extensions shall be for thirty (30) days.
 - (c) For each thirty (30) day period requested by Bidder and approved by HUD, extension fees shall be equal to **\$43.34**, per unit, per day, (the holding cost for such period) or one and one-half percent (1.5%) of the purchase price, whichever is greater.
 - (d) These fees shall be retained by HUD and shall not be credited to the amount due from Bidder at Closing. However, if Bidder closes prior to the expiration of an extension period, the prorated amount of the extension fee, for the unused portion of the extension period, shall be credited toward the amount due from Bidder at Closing.
 - (e) The granting of one or more extensions shall not obligate HUD to grant additional extensions.
 - (f) If any form or instrument required by HUD is not submitted within sufficient and reasonable time for HUD’s review or processing and such delay necessitates an extension of the Closing deadline, an extension fee must be paid for this period.
 - (g) Extension Fees must be submitted by money order, certified, cashier’s or other bank check acceptable to HUD.
9. BIDDER RESTRICTIONS
 - (a) No Member of/or Delegate to Congress, resident commissioner, or local elected official, shall be admitted to any share or part of this sale, or to any benefit arising from it. However, this provision does not apply to this sale to the extent that this sale is made with a corporation for the corporation's general benefit.
 - (b) If Bidder is, or becomes suspended, debarred, or temporarily denied from participating in HUD programs prior to closing, this sale shall be terminated. In addition, if such suspension, debarment or temporary denial of participation occurs either before or after Bidder's execution of this Acknowledgment, any extension fees paid under Section 8 shall be retained by HUD as liquidated damages.
 - (c) Pursuant to 24 CFR Part 27 Section 20(f), the defaulting mortgagor, or any principal, successor, affiliate, or assignee thereof, on the multifamily mortgage being foreclosed, shall not be eligible to bid on, or otherwise acquire, the property being foreclosed by the Department under this subpart or any other provision of law. A “principal” and an “affiliate” are defined as provided at 24 CFR 24.105.
10. AS-IS SALE; NO REPRESENTATIONS
 - (a) Bidder shall accept the Property "as is." HUD makes no representations or warranties concerning the physical condition of the Property. In addition, HUD does not represent or warrant the number and occupancy of revenue producing units, or any factor bearing upon the value of the Property.
 - (b) Bidder acknowledges that the purchase price set forth in this Acknowledgment is based on Bidder's evaluation of the project and not upon any representations by HUD. Bidder's failure to inspect, or to be fully informed as to any factor bearing upon the valuation of the Property, shall not affect the liabilities, obligations or duties of HUD, nor be a basis for termination of this sale or for the return of any extension fees paid pursuant to Section 8.
11. RISK OF LOSS AND RIGHTS OF RESCISSION - In the event of any substantial damage to the Project prior to closing by any cause including, but not limited to, fire, flood, earthquake, tornado and significant vandalism other than willful acts or neglect, HUD, in its sole discretion, may negotiate with the Bidder for a reduction in the sales price corresponding to the estimated amount of damages.

Such damages shall be added to the Post-Closing repair requirements, HUD Form - 9552 included in the Invitation. If HUD and the Bidder are unable to agree on the amount by which the purchase price should be reduced or on the amendment to the repair requirements, Bidder may withdraw the bid, in which case HUD will direct the return of the earnest money deposit and any extension fee(s) will be returned.

12. PRORATIONS

- (a) Except as set forth in paragraph (b) below, there will be no prorations at Closing. The Bidder will be responsible only for those expenses incurred at the Project after Closing.
- (b) At Closing, the Bidder will pay the Foreclosure Official a prorata share of any property taxes on the Project which have been paid for a period of time ending after the date of Closing. The Bidder will be responsible for paying in full, all taxes, that come due after Closing. Taxes paid by the Bidder after Closing will not be prorated, even if those taxes are for a period which began prior to Closing.
- (c) No later than fifteen (15) days before Closing, HUD will notify the Bidder of the amount the Bidder is to pay the Foreclosure Official as the prorata share of taxes.

13. SECURITY DEPOSITS - APPLICATION AS CHECKED:

- ☒ Notwithstanding State or local law, the Bidder will receive only those security deposits which hand at the Project on the date of Closing. The Bidder will assume all liability under State law with respect to security deposits.
- ☐ Any security deposits collected from tenants and paid over to HUD prior to the Closing shall transferred and assigned to Bidder within fifteen (15) days after the closing, with the of security deposits which have been forfeited by the tenant in accordance with the terms of tenant's lease. Notwithstanding State and local law, no other security deposits collected from will be transferred by HUD to Bidder and HUD has no other liability under State and local law respect to security deposits. Bidder agrees to assume all responsibility and liability under local law with respect to the collection, application and return of security deposits.

14. LIMITATION OF LIABILITY - Notwithstanding any other provisions of this sale, HUD's liability shall not exceed the amount of funds paid by Bidder to HUD and/or the Foreclosure Official hereunder.

15. ANTI-COLLUSION CERTIFICATION

- (a) The Bidder certifies:
 - (i) The bid price in this offer has been arrived at independently, without (for the purposes of restricting competition) any consultation, communication, or agreement with any other Bidder relating to:
 - a. the bid price;
 - b. the intention to submit a bid price; **or**
 - c. the methods or factors used in calculating the bid price offered;
 - (ii) The bid price in this offer has not been and will not be knowingly disclosed by the Bidder, directly or indirectly, to any other Bidder or competitor before or during the actual time of the bid event, unless otherwise required by law; **and**
 - (iii) No attempt has been made or will be made by the Bidder to induce any other Bidder to submit or not to submit a bid price for the purpose of restricting competition.
- (b) If the bid procedure requires or permits written bids, each signature on the offer is considered to be certification by the signatory that the signatory:
 - (i) Is the person in the Bidder's organization responsible for determining the bid price being offered in this bid and that the signatory has not participated and will not participate in any action contrary to paragraph (a) above; **or**
 - (ii) Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to paragraph (a), above;

Name_____

Title_____

Organization responsible
for determining bid price_____

- a. As an authorized agent, does certify that the principals named in the above have not participated, and will not participate, in any action contrary to paragraph (a) above; and
- b. As agent, has not personally participated, and will not participate, in any action contrary to paragraph (a) above.

16. FAILURE TO COMPLY - Upon the failure or refusal of the Bidder to comply with any of the requirements listed above, HUD may declare the Bidder ineligible to purchase the Project, in which case Bidder shall forfeit the earnest money deposit and any extension fees paid.
17. SEVERABILITY - If for any reason one or more of the provisions contained in the Invitation, including this Acknowledgment, the Use Agreement, or any other attachments or exhibits thereto, shall be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision(s) of the Invitation, but the Invitation shall be construed as if such invalid, illegal or unenforceable provision(s) had never been included therein.
18. FORMS - All forms and instruments referred to in this Acknowledgment are the standard Form HUD and instruments prepared by HUD and used by HUD in the jurisdiction in which the Property is located and shall contain such additional covenants and conditions required by the Invitation for Bid or Request for Proposals.
19. EXECUTION
 - (a) By signature below, Bidder indicates acknowledgment of and agreement to the terms and requirements of this foreclosure sale.
 - (b) In the case of a bid submitted by an agent or representative of the Bidder, the signatory attests to be duly authorized to submit the bid on behalf of the Bidder and to execute this Acknowledgment.

WARNING: It is a crime to knowingly make false statements to the United States in this document or any other document related to this sale. Penalties upon conviction can include a fine or imprisonment. For details see: Title 18 U.S. Code, Section 1001 and Section 1010.

Executed by the Bidder on the _____ day of _____, 20_____.

Witness:_____

By:_____

Typed Name:_____

Typed Name:_____

Address:

City, State, Zip

Phone No. with Area Code:

FORECLOSURE SALE USE AGREEMENT

The Bidder acknowledges the receipt of a copy of the Foreclosure Sale Use Agreement applicable to this project's sale and the inclusion of the following Riders in that Agreement:

- ☒ [X] Nondiscrimination against Multifamily Section 8 Certificate Holders and Voucher Holders
- ☒ [X] Tenant-Based Section 8 Restriction
- ☒ [X] Affordability of Units
- ☒ [X] Two-Year Rent Protection for Pre-Existing Very Low-Income Tenants
- ☒ [X] Post-Closing Repair Escrow Requirements
- ☐ [] Post-Closing Repair to Local Codes and/or Demolition Escrow Requirements
- ☒ [X] Relocation
- ☐ [] Relocation [NURSING HOMES, BOARD AND CARE FACILITIES and/or ASSISTED LIVING FACILITIES (ALF)]
- ☒ [X] Asbestos Hazards
- ☒ [X] Lead-Based Paint Hazards
- ☐ [] Existing Hazardous Substances-Demolition Activities
- ☐ [] Historic Preservation
- ☐ [] Mobile Home Parks
- ☐ [] Retirement Service Centers

The Foreclosure Sale Use Agreement, with the above noted Riders, is to be incorporated into and recorded as part of the Deed.

Bidder acknowledges that this Rider is incorporated into and is a part of the Terms and Requirements of Foreclosure Sale - Acknowledgment by Bidder

Bidder_____ (Must be initialed at the time of submission of bid)

ATTACHMENT C
FORECLOSURE SALE USE AGREEMENT

This Agreement is entered into by _____ ("Purchaser") and the Secretary of Housing and Urban Development ("Secretary" or "HUD").

WHEREAS, pursuant to the provisions of the Multifamily Mortgage Foreclosure Act, 12 U.S.C. Sections 3701 et seq. (the "Act"), and the Department of Housing and Urban Development's regulations thereunder at 24 C.F.R. Part 27, the Secretary has elected to exercise the nonjudicial power of sale provided under the Act, or pursuant to a judicial foreclosure the Secretary has elected to apply Section 367(b) of the Act, with respect to Center Ridge Apartments, HUD Project No. 062-35044, (the "Project" or the "Property") a legal description of which is attached as Exhibit "A"; **and**

WHEREAS, pursuant to the Act and to provisions of 12 U.S.C. Section 1701z-11 et seq., Management and Preservation of HUD-Owned Multifamily Housing Projects, and the Department of Housing and Urban Development regulations thereunder at 24 CFR Part 290, the Secretary has authority to impose certain use restrictions, as set forth in this Agreement, on the property subject to a mortgage held by the Secretary that is sold at foreclosure to a purchaser other than HUD; **and**

WHEREAS, by Deed executed this _____ day of _____, 20____, by _____, the Project has been conveyed to the Purchaser;
and

NOW THEREFORE, in consideration of the mutual promises set forth herein and in further consideration of the sale of the Project to the Purchaser, the parties agree as follows:

1. **TERM OF AGREEMENT** - This Agreement shall be in effect,
☒ Twenty years from the date of this Agreement **or** ☐ until _____
2. **CONVEYANCE OF PROJECT**
This paragraph ☒ **is** ☐ **is not** applicable for this property
During the term of this Agreement, any conveyance of the project must have prior written approval of HUD. HUD's approval of conveyance and/or the proposed purchaser's management of the property will be based on information provided in written statements of how the purchaser, or any subsequent purchaser, in consideration of any and all existing use restrictions, will:
(a) implement sound financial and physical management program;
(b) respond to the needs of the tenants and work cooperatively with resident organizations;
(c) provide adequate organizational staff and resources to manage the project.
3. **SUBJECT TO EXAMINATION** - The Project shall at all times,
(a) be maintained in decent, safe and sanitary condition to the greatest extent possible,
(b) maintain full occupancy to the greatest extent possible,
(c) be maintained as rental housing for the term of this Agreement.

At the request of the Secretary, Purchaser must supply evidence by means of occupancy reports, physical condition reports, reports on operations, or any evidence as requested to ensure that the above requirements are being met.
4. **UNIT NUMBER OR USE CHANGE** - Changes to the use, number, size, or configuration of residential units in the Project; e.g., apartment units, beds in a care facility, from the use as of the date of this Agreement, must receive the written prior approval of HUD.
5. **NON-DISCRIMINATION REQUIREMENTS** - The Purchaser will comply with the provisions of all Federal, State, or local laws prohibiting discrimination in housing.
6. **HAZARD INSURANCE** - Hazard insurance shall be maintained in an amount to ensure that the Purchaser is able to meet the rental housing requirements described in this Agreement.

7. **DESTRUCTION OF PROJECT** - In the event that any or all of the Project is destroyed or damaged by fire or other casualty, the money derived from any insurance on the Project shall be applied to rebuild or replace the property destroyed or damaged, unless the Secretary gives written approval to use insurance proceeds for other purposes.
8. **DEMOLITION OF PROJECT PROPERTY** - The Purchaser will not demolish any part of the Project or withdraw any part of the Project from use (except as temporarily necessary for routine repairs), without the prior written approval of HUD.
9. **REMEDIES FOR NONCOMPLIANCE** - Upon any violation of any provision of this Agreement by the Purchaser, HUD may give written notice thereof to the Purchaser by registered or certified mail, addressed to the address stated in this Agreement, or such other address as subsequently, upon appropriate written notice thereof to the Secretary, may be designated by the Purchaser as its legal business address. If such violation is not corrected to the satisfaction of the Secretary within thirty (30) days after the date such notice is mailed or within such further time as HUD reasonably determines is necessary to correct the violation, without further notice, HUD may declare a default under this Agreement and may apply to any court, State or Federal, for specific performance of this Agreement, for an injunction against any violation of this agreement, for the appointment of a receiver to take over and operate the Project in accordance with the terms of this Agreement, and/or such other relief as may be appropriate, since the injury to the Secretary arising from a default of the terms of the Agreement would be irreparable and the amount of damage would be difficult to ascertain.

The availability of any remedy under the Agreement shall not preclude the exercise of any other remedy under any provision of the law, nor shall any action taken in the exercise of any remedy be considered a waiver of any other rights or remedies. Failure to exercise any right or remedy shall not construe a waiver of the right to exercise that or any other right or remedy at any time.

10. **SUCCESSORS AND ASSIGNS** - This Agreement is binding upon the Purchaser's heirs, successors and assigns. The Purchaser agrees that if title to the Project is conveyed during the term of this Agreement, the Purchaser will require its purchaser to assume in writing its obligations under this Agreement.
11. **RESTRICTIONS** - No Member of Congress or Delegate to Congress or Resident Commissioner shall be admitted to any share or part of the benefits of the Use Agreement, but this provision shall not be construed to extend to this Use Agreement if the Use Agreement is made with a corporation for its general benefit.
12. **CONTRADICTORY AGREEMENTS** - The Purchaser certifies that it has not, and agrees that it will not, execute any other agreement with provisions contradictory of, or in opposition to, the provisions of this agreement, and that, in any event, the requirements of this Agreement are paramount and controlling as to the rights and obligations set forth herein and supersede any other requirements in conflict with this Agreement.
12. **SEPARABILITY** - The invalidity of any provision of this Agreement shall not affect the validity of the remaining provisions hereof.
13. **AMENDMENT** - This Agreement may be amended by the mutual written consent of the parties, except those provisions required by statute.

IN WITNESS WHEREOF:

The Purchaser has executed this Use Agreement in triplicate this _____ day of _____, 20____.

WITNESS:

PURCHASER:

By: Signature

Typed Name of Purchaser

Street Address

City, State, Zip Code

The U.S. Department of Housing and Urban Development (HUD) has executed this Use Agreement in triplicate this _____ day of _____, 20____.

WITNESS:

FOR: THE SECRETARY OF HOUSING
AND URBAN DEVELOPMENT

BY: _____

Official's Typed Name

Title

Exhibit A to Attachment C

Legal Description

Commencing at the Northwest corner of Donald Street and Clement Street run S 67° 43' 30" W along the Northwest right of way line of Clement Street 180 feet to the point of beginning of the property herein described, thence continuing S 67° 43' 30" W along said Northwest line of Clement Street 458.36 feet to the Northeast corner of Clement Street and Schwartz Street, thence run N 40° 51' W along the Northeast right of way line of Schwartz Street 601.76 feet to the Southeast corner of Schwartz Street 601.76 feet to the Southeast corner of Schwartz Street and Hathcox Street, thence run N 66° 40' 30" E along the Southeast right of way line of Hathcox Street 446.92 feet to a point, thence run S 41° 39' E 613.21 feet to the point of beginning.

Containing 260,855 square feet or 5.99 acres.

RIDER 1 OF 8

NONDISCRIMINATION AGAINST MULTIFAMILY SECTION 8 CERTIFICATE HOLDERS AND VOUCHER
HOLDERS

The Use Agreement shall include the following provisions:

Nondiscrimination

In order to comply with Section 204 of the Housing and Community Development Amendments of 1978, 12 USC §1701z-12, as amended, the Purchaser, for itself, its successors and assigns, agrees not to unreasonably refuse to lease a dwelling unit offered for rent, offer or sell cooperative stock, or otherwise discriminate in the terms of tenancy or cooperative purchase and sale because any tenant or purchaser is the holder of a Certificate of Family Participation or a Voucher under Section 8 of the United States Housing Act of 1937 (42 USC §1437f), or any successor legislation (hereinafter referred to as Section 8). This provision is limited in its application, for tenants or applicants with Section 8 Certificates or their equivalent (other than Vouchers), to those units which rent for an amount not greater than the Section 8 fair market rent for a comparable unit in the area as determined by HUD.

If the Purchaser breaches this provision, HUD and/or one or more third-party beneficiaries, shall be entitled to institute legal action to enforce performance and observance of such provision and to enjoin any acts which are violative of such provision. For the purposes of this provision, a third-party beneficiary shall be any person who holds a Certificate of Family Participation or a Voucher under Section 8 or any equivalent document under successor legislation.

By initialing hereunder the parties acknowledge that this Rider is incorporated into and is a part of the Use Agreement.

PURCHASER _____

SECRETARY OF HOUSING AND URBAN DEVELOPMENT _____

RIDER 2 OF 8

TENANT-BASED SECTION 8 RESTRICTION

The Use Agreement includes the following provisions:

Section 8 Unit Maintenance (Certificates or Vouchers)

In order to assure compliance with Section 203 of the Housing and Community Development Amendments of 1978, as amended, 12 USC §1701z-11, the Secretary will provide housing assistance under the Section 8 voucher program to eligible tenants residing in the Project as of the date of this Use Agreement. A tenant may choose to use the assistance to remain in residency or to move; if the tenant moves, the Section 8 assistance for that tenant will not be available to the property.

The Section 8 housing assistance shall be available to the appropriate local housing authority on, or shortly after, the date of execution of this Agreement and the housing authority will make funds available to the Purchaser, on a per unit basis, after each tenant is certified as eligible and each unit is repaired in accordance with this agreement (if applicable) and is approved by the housing authority. Prior to receipt of the subsidy payments, purchasers may not charge eligible tenants, who are slated to receive Section 8, more than the amount of rent paid by the tenant on the date of this agreement.

For as long as any such tenant remains eligible for Section 8 assistance and wishes to remain in occupancy, and funds are available from HUD through the Housing Authority for this purpose, the Purchaser shall maintain such tenant's dwelling unit eligible for Section 8 assistance in accordance with the requirements of the Section 8 Housing Assistance Payments Program - Existing Housing (24 CFR Part 882 and Part 887).

By initialing hereunder the parties acknowledge that this Rider is incorporated into and is a part of the Use Agreement.

PURCHASER _____

SECRETARY OF HOUSING AND URBAN DEVELOPMENT _____

RIDER 3 OF 8

AFFORDABILITY OF UNITS

The Use Agreement shall contain the following provisions:

Use Restriction (applicable if checked)

- ☒ The Purchaser covenants that ~~eighty-three~~ (83) units in the Property will be maintained as *affordable housing* for a period of twenty (20) years after the date of this Deed or such earlier time as the Seller may specify in writing (the "Restricted Period"). Any change in this number of units must receive the prior written approval of the Seller.
- ☐ The Purchaser covenants that it will market affirmatively _____ of the units in the project to very low-income families, whose income at the time of initial occupancy does not exceed 50 percent of the area median income with adjustments for smaller or larger families.

Income Eligibility Limitation

The Purchaser may only rent the number of units required to be *affordable units* to families who qualify as low-income and very low-income, as defined in Section 813 of the Housing Act of 1937, as amended, with adjustments for smaller and larger families.

(this paragraph applicable if checked)

- ☐ Of the total number of affordable units, ____ units may be targeted to families with annual incomes between 80 and ____ percent of the area median income, with adjustments for smaller and larger families.

Maintenance of Rents at Affordable Levels

- (1) For current tenants, affordable rent means:
- (a) For a unit occupied by a very-low income family, the unit rent does not exceed 30 percent of 50 percent of the area median income (not the income of the family), as determined by the Department, with adjustments for smaller and larger families; or
 - (b) For a unit occupied by a low-income family other than a very low-income family, the unit rent does not exceed 30 percent of 80 percent of the area median income (not the income of the family), as determined by the Department, with adjustments for smaller and larger families; or
 - (c) The unit, or the family residing in the unit, is receiving assistance under Section 8 of the United States Housing Act of 1937.
- (2) For new, turnover tenants, affordable rent means:
- (a) The unit rent does not exceed 30 percent of 80 percent of the area median income (not the income of the family), as determined by the Department, with adjustments for smaller and larger families; or
 - (b) The unit rent is within the Section 8 voucher payment standard applicable to the community in which the project is located, or the unit is receiving assistance under Section 8 of the United States Housing Act of 1937.

Additional Purchaser Covenants

- (1) The Purchaser covenants that it will not unreasonably refuse to release units to, or otherwise discriminate against, very low-income families.
- (2) The Purchaser shall certify to HUD annually that the requirements in the above paragraphs have been fulfilled.

By initialing hereunder the parties acknowledge that this Rider is incorporated into and is a part of the Use Agreement.

PURCHASER _____

SECRETARY OF HOUSING AND URBAN DEVELOPMENT _____

TWO-YEAR RENT PROTECTION FOR PRE-EXISTING
VERY LOW-INCOME TENANTS

To ensure compliance with Section 203(g) of the Multifamily Housing Property Disposition Reform Act of 1994 (the "Act"), the Purchaser agrees that, for any very low-income family (as defined in 24 CFR 5.603) which is a pre-existing tenant of an unassisted project as defined in the Act and which would be required to pay rent in an amount in excess of 30 percent of its adjusted income (as defined in 24 CFR 5.611), for a period of 2 years beginning upon the date of acquisition of the project by the Purchaser:

- (1) the rent payable by any very low-income family which, on that date, is paying over 30% of its adjusted annual income for rent shall not exceed the amount being charged on that date; and,
- (2) the rent payable by any very low-income family which is paying 30% or less of its adjusted annual income for rent, shall not be subject to any rent increase which would require the family to pay more than 30% of its adjusted annual income.

For all tenants covered by these provisions, the Purchaser must include in the leases the terms and conditions of the two year rent protection including a provision for an initial tenant income certification and not more than one tenant income certification a year, except upon reduction of tenant income or upon tenant request.

By initialing hereunder the parties acknowledge that this Rider is incorporated into and is a part of the Use Agreement.

PURCHASER _____

SECRETARY OF HOUSING AND URBAN DEVELOPMENT _____

POST-CLOSING REPAIR ESCROW REQUIREMENTS

The Use Agreement shall include the following provisions:

1. Purchaser covenants to complete required repairs within twenty-four (24) months of Closing. To ensure completion, the Purchaser shall provide to HUD, at Closing, one of the following, as determined by HUD:

- a. Unconditional, irrevocable and non-documentary Letter of Credit (LOC):
 - (1) an unconditional, irrevocable and non-documentary Letter of Credit (LOC) in the amount of \$719,247, with an expiration date at least six (6) months beyond HUD's estimated date for completion of repairs. In the event an extension for completion of repairs is granted, the LOC will be extended accordingly. HUD may cash the LOC and apply the funds to correct latent defects in the completed repairs if the Purchaser is unable or unwilling to make such repairs within the six month period, or for such purposes as HUD deems appropriate; or,
 - (2) if repairs are performed in stages, as agreed between Purchaser and HUD prior to Closing, up to five (5) LOCs may be provided to HUD. The first LOC will be equal to at least ten percent (10%) of the total estimated repair costs and such LOC shall remain in effect for a period of six (6) months after the work has been completed to HUD's satisfaction. If the Purchaser is unable or unwilling to make such repairs within the six-month period, HUD may cash this LOC and apply the funds to correct latent defects in the completed repairs, or for such purposes as HUD deems appropriate. The remaining LOCs provided to HUD will be in equal dollar amounts, the sum of which will equal the total required LOC amount specified in paragraph (1) less the first LOC detailed above. Each of these remaining LOCs will have an expiration date at least six (6) months beyond the estimated completion date for repairs. The LOCs shall be returned to the Purchaser after the repairs have been completed to HUD's satisfaction.
- b. Performance and payment bonds meeting State and local codes as assurance of completion for post-closing repair requirements, as listed on Form HUD-9552 and its exhibits, or form HUD 9822.

Purchaser must use HUD Form-92452 for the payment bond and a form for the performance bond that is acceptable to HUD.

- (1) Evidence of the existence of payment and performance bonds each in the amount of \$2,876,989 [the total cost of repairs] must be provided to HUD.
- (2) Purchaser must follow the following requirements:
 - i. The surety entity issuing the bonds must be included on the accredited U.S. Treasury list, Circular 570, published annually in the Federal Register on or about July 1 of each year;
 - ii. The payment and performance bonds must not exceed limits listed in the Circular;
 - iii. The payment and performance bonds must show HUD as payee, along with Purchaser's mortgagee, at the mortgagee's request.

2. If the Purchaser fails to complete repairs in accordance with this Agreement, the Secretary will not exercise the remedies as described in paragraph 1a(1), or request payment on the bonds secured under paragraph 1b, above, if any lender holding a lien or security interest on the Project:

- a. Gives written notice to HUD within the period provided for repairs, that it intends to complete the repairs, and
- b. Completes such repairs within 30 days of the notice or within such longer periods that HUD may approve in writing.

3. The Purchaser covenants not to increase the rent for any unit, from the rent HUD is requiring a tenant to pay on the Closing date, until such unit meets all the rehabilitation requirements set forth above.

By initialing hereunder, the parties acknowledge that this Rider is incorporated into and is a part of the Use Agreement.

PURCHASER ____

SECRETARY OF HOUSING AND URBAN DEVELOPMENT ____

RELOCATION

The Use Agreement shall include the following provisions:

Relocation Restriction

The Purchaser covenants that it will comply with Section 203(f) of the Housing and Community Development Amendments of 1978, as amended, 12 USC §17012-11(f), and the regulations thereunder, 24 CFR §§290.45 and 290.47, as explained in paragraphs 2 through 5, below. Additionally, the Purchaser covenants it will comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, 42 USC §4601, and the regulations thereunder, 49 CFR Part 24. The Purchaser is responsible for ensuring compliance with the Act and Regulations, notwithstanding any contractual obligations with third parties to comply with the Act and Regulations.

- (1) The Purchaser covenants that the Property will be rehabilitated within twenty-four (24) months from the date of this Use Agreement in accordance with all applicable State and local laws, codes, ordinances and regulations [and Housing Quality Standards pursuant to 24 CFR Part 886, Subpart C, and other requirements set forth in any Property Improvements Requirements sheet, attached hereto].
- (2) If temporary or permanent relocation is necessary because of such rehabilitation, Purchaser covenants that it will provide advance written notice of the expected displacement. The notice shall be provided as soon as feasible, describe the assistance and the procedures for obtaining the assistance, and contain the name, address and phone number of an official responsible for providing the assistance.
- (3) If temporary relocation is necessary because of such rehabilitation, Purchaser covenants that it will provide assistance to tenants in locating a decent, safe and sanitary dwelling/housing unit which, to the extent feasible, shall be in a location not generally less desirable than the Property, and reimburse tenants for:
 - (a) Expenses of moving and any net increase in monthly housing cost (rent and reasonable utility costs) during the temporary displacement period.
 - (b) Expenses of returning to a repaired unit on the Property.
- (4) If permanent relocation is necessary because of such rehabilitation, Purchaser covenants that it will provide assistance, as described below, to tenants, as may be appropriate:
 - (a) Advisory services, necessary to locate decent, safe and sanitary and affordable replacement housing which, to the extent feasible, shall be in a location not generally less desirable than the Property.
 - (b) Reimbursement for reasonable moving expenses, which need not exceed an amount determined by HUD to be reasonable considering the size of the household size and the circumstances surrounding the move.

HUD will not provide the Purchaser with any funds or subsidy with which to make the payments required by this paragraph.

By initialing hereunder the parties acknowledge that this Rider is incorporated into and is a part of the Use Agreement.

PURCHASER _____

SECRETARY OF HOUSING AND URBAN DEVELOPMENT _____

RIDER 7 OF 8

ASBESTOS HAZARDS

The Use Agreement shall include the following provisions:

(1) Purchaser agrees to indemnify defend, and hold Seller harmless from any liability arising by reason of Purchaser's failure to perform Purchaser's obligations under this Deed with respect to the elimination of asbestos health hazards, the prohibition against the use of asbestos and Purchaser's responsibility for complying with applicable State and local asbestos laws and regulations.

(2) If temporary or permanent relocation is necessary because of such rehabilitation, Purchaser covenants that it will comply with Section 203(f) of the Housing and Community Development Amendments of 1978, as amended, 12 USC §1701z-11(f), and the regulations thereunder, 24 CFR §§290.45 and 290.47, as explained in paragraphs 4 through 6, below. Additionally, the Purchaser covenants that it will comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, 42 USC §4601, and the regulations thereunder, 49 CFR Part 24, when Project-based Section 8 assistance is provided by the Seller. The Purchaser is responsible for ensuring compliance with the Act and Regulations, notwithstanding any contractual obligations with third parties to comply with the Act and Regulations. Purchaser covenants that it will provide advance written notice of the expected displacement. The notice shall be provided as soon as feasible, describe the assistance and the procedures for obtaining the assistance, and contain the name, address and phone number of an official responsible for providing the assistance.

(3) If temporary relocation is necessary because of such rehabilitation, Purchaser covenants that it will provide assistance to tenants in locating a decent, safe and sanitary dwelling/housing unit which, to the extent feasible, shall be in a location not generally less desirable than the Property, and reimburse tenants for:

- (a) Expenses of moving and any net increase in monthly housing cost (rent and reasonable utility costs) during the temporary displacement period.
- (b) Expenses of returning to a repaired unit on the Property.

(4) If permanent relocation is necessary because of such rehabilitation, Purchaser covenants that it will provide assistance, as described below, to tenants, as may be appropriate:

- (a) Advisory services, necessary to locate decent, safe and sanitary and affordable replacement housing which, to the extent feasible, shall be in a location not generally less desirable than the Property.
- (b) Reimbursement for reasonable moving expenses, which need not exceed an amount determined by Seller to be reasonable considering the size of the household and the circumstances surrounding the move.

(5) The Purchaser covenants not to increase the rent for any units, from the rent Seller is requiring a tenant to pay on the Closing date, until such unit meets all the rehabilitation requirements set forth in (1), above. (In addition, rent for units to be covered by a Housing Assistance Payments Contract may be increased only pursuant to and following execution of such Contract.)

(6) If Purchaser fails to comply with (1), above, and no extension by written agreement has been granted by Seller, Seller and his successors in office shall be entitled to enter and terminate the estate hereby conveyed.

By initialing hereunder the parties acknowledge that this Rider is incorporated into and is a part of the Use Agreement.

PURCHASER _____

SECRETARY OF HOUSING AND URBAN DEVELOPMENT _____

LEAD-BASED PAINT HAZARDS

The Use Agreement shall include the following provisions:

- (1) In order to comply with 42 USC §§4821-4886 and the regulations thereunder, 24 CFR Part 35 (the "Regulations"), Purchaser covenants that any lead-based paint hazards will be abated in accordance with the Regulations. Purchaser shall certify to Seller (in a form acceptable to Seller) and Seller shall determine, through its inspection (or at its discretion, the inspection and certification of a local government official) that all lead based-paint hazards have been removed from the Property in accordance with the Regulations.
- (2) Purchaser understands and agrees that Seller's inspection and finding of satisfactory performance is not intended to and does not constitute a guarantee that all lead based-paint and all potential lead-based paint hazards have been eliminated from the Property and does not relieve Purchaser of its ongoing responsibility for complying with all applicable State and local lead based-paint laws and regulations.
- (3) Purchaser agrees to indemnify defend, and hold Seller harmless from any liability arising by reason of Purchaser's failure to perform Purchaser's obligations under this Deed with respect to the elimination of lead based-paint health hazards, the prohibition against the use of lead based-paint, and Purchaser's responsibility for complying with applicable State and local lead based-paint laws and regulations.
- (4) If temporary or permanent relocation is necessary because of such abatement, Purchaser covenants that it will comply with paragraphs 5 through 8, below. Additionally, the Purchaser covenants that it will comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 ("Act"), as amended, 42 USC §4601, and the regulations thereunder, 49 CFR Part 24, when Project-based Section 8 assistance is provided by the Seller. The Purchaser is responsible for ensuring compliance with the Act and regulations thereunder, notwithstanding any contractual obligations with third parties to comply with the Act and regulations. Purchaser covenants that it will provide advance written notice of the expected displacement. The notice shall be provided as soon as feasible, describe the assistance and the procedures for obtaining the assistance, and contain the name, address and phone number of an official responsible for providing the assistance.
- (5) If temporary relocation is necessary because of such abatement, Purchaser covenants that it will provide assistance to tenants in locating a decent, safe and sanitary dwelling/housing unit which, to the extent feasible, shall be in a location not generally less desirable than the Property, and reimburse tenants for:
 - (a) Expenses of moving and any net increase in monthly housing cost (rent and reasonable utility costs) during the temporary displacement period.
 - (b) Expenses of returning to a repaired unit on the Property.
- (6) If permanent relocation is necessary because of such abatement, Purchaser covenants that it will provide assistance, as described below, to tenants, as may be appropriate:
 - (a) Advisory services, necessary to locate decent, safe and sanitary and affordable replacement housing which, to the extent feasible, shall be in a location not generally less desirable than the Property.
 - (b) Reimbursement for reasonable moving expenses, which need not exceed an amount determined by Seller to be reasonable considering the size of the household size and the circumstances surrounding the move.

- (7) The Purchaser covenants not to increase the rent for any units, from the rent Seller is requiring a tenant to pay on the Closing date, until such unit meets all the abatement requirements set forth in (1), above. (In addition, rent for units to be covered by a Housing Assistance Payments Contract may be increased only pursuant to and following execution of such Contract.)
- (8) Purchaser agrees to comply with Section 35.88 "Disclosure Requirements for Sellers and Lessors" and Section 35.92 "Certification and Acknowledgment of Disclosure" of 24 CFR - *Lead-Based Paint Poisoning Prevention in Certain Residential Structures*.
- (9) If Purchaser fails to comply with (1), above, and no extension by written agreement has been granted by Seller, Seller and his successors in office shall be entitled to enter and terminate the estate hereby conveyed.

By initialing hereunder the parties acknowledge that this Rider is incorporated into and is a part of the Use Agreement.

PURCHASER _____

SECRETARY OF HOUSING AND URBAN DEVELOPMENT _____

ATTACHMENT D
LETTER OF CREDIT (LoC) SAMPLE

(ISSUING BANK'S LETTERHEAD)

IRREVOCABLE UNCONDITIONAL LETTER OF CREDIT NO. _____
_____, 20____

U.S. Department of Housing and Urban Development
Five Points Plaza, 40 Marietta Street
Atlanta, GA 30303-2186

Attention: Mr. William H. Melvin, Director
Atlanta Multifamily Property Disposition Center

Dear Sir:

For the account of _____
(name of account party/customer)
we hereby authorize you to draw on us at sight up to an aggregate amount of U.S.
\$_____, effective immediately and expiring on _____,
20_____.

This Letter of Credit is irrevocable and unconditional.

Funds under this Credit are available to you against your sight draft(s) on us, substantially in the form attached as Exhibit A, for all or any part of this Credit.

This Letter of Credit sets forth in full the terms of our obligations to you, and such undertaking shall not in any way be modified or amplified by any agreement in which this letter is referred to or to which this letter of credit relates, and any such reference shall not be deemed to incorporate herein by reference any agreement.

We will promptly honor all drafts in compliance with the terms of this credit if received on or before the expiration date at

(bank's address)

This Credit is governed by the laws of _____.

Sincerely,

(Issuing Bank)

By: _____

SAMPLE SIGHT DRAFT

(HUD LETTERHEAD)

(Name and address of bank)

(City, State)

_____, 20____

Pay to the order of the U.S. Department of Housing and Urban Development the sum of
\$_____. This draft is drawn under your Irrevocable Letter of
Credit

NO._____.

U.S. Department of Housing and Urban Development

By:_____

Post Closing Repair Requirements

Office of Housing, Multifamily Sales Program

Project Name	Project Number	Location
Center Ridge Apartments	FHA Case# 062-35044	Mobile, Alabama

The purchaser must repair the property to meet the following requirements within the time frame noted in the Contract of Sale or Terms and Requirements of Foreclosure Sale - Acknowledgement by Bidder.

☒ Applicable State and Local Codes

☒ Housing Quality Standards (HQS) as set forth in

☒ Additional Repairs required by HUD

24 CFR 886, Subpart G

HUD will monitor repairs to assure compliance. Repairs shall be considered completed only after (1) Purchaser provides written certification that repairs are completed; (2) Purchaser requests final inspection by HUD; and (3) HUD verifies in writing completion and compliance with the requirements stated herein.

Trade Item Cost Breakdown: HUD's estimate of repairs is broken out by trade item. Detailed descriptions of repairs are stated in this form's exhibit. Unchecked as MANDATORY on this form, repairs may begin upon conveyance. For repair items listed on this form as MANDATORY, the purchaser, prior to beginning work, must submit specifications for approval to HUD office with jurisdiction over this project

The repairs listed herein represent HUD's estimate of the property's repair needs. These repairs may not represent all repairs needed to satisfy

HUD's requirements and/or requirements other than HUD's. HUD does NOT warrant that the list is either comprehensive or sufficient. The purchaser accepts responsibility for: (1) developing independent repair cost estimate, (2) determining what, if any, repairs are needed in excess of those listed herein, and (3) providing funding for such repairs.

Repairs to Residential Structures (including commercial areas)					
Item	Mandatory	Est. Cost	Item	Mandatory	Est. Cost
1. General		\$6,000.00	17. Wood Flooring		\$0.00
2. Masonry		\$6,000.00	18. Resilient Flooring		\$46,600.00
3. Metals		\$0.00	19. Painting and Decorating		\$102,250.00
4. Wood and Plastics		\$30,000.00	20. Specialties		\$30,750.00
5. Finish Carpentry		\$6,120.00	21. Special Equipment		\$0.00
6. Waterproofing		\$5,000.00	22. Cabinets		\$134,480.00
7. Insulation		40.00	23. Appliances		\$25,200.00
8. Roofing		\$212,800.00	24. Blinds and Shades		\$10,080.00
9. Sheet Metal		\$4,590.00	25. Carpets		\$0.00
10. Doors and Windows		\$269,325.00	26. Special Construction		\$149,000.00
11. Thermal and Moisture		\$0.00	27. Elevator		\$0.00
12. Glass		\$0.00	28. Plumbing and Hot Water		\$281,785.00
13. Lath & Plaster		\$2,400.00	29. Heat and Ventilation		\$112,050.00
14. Drywall		\$0.00	30. Air Conditioning		\$166,000.00
15. Tile Work		\$0.00	31. Electrical		\$496,850.00
16. Acoustical		\$0.00	Residential Structures Subtotal		\$2,097,280.00
Repairs to Accessory Structures (community, maintenance, mechanical, garages, carports, etc....)					
32. Accessory Structures		\$0.00	Accessory Structures Subtotal		\$0.00
Site Work					
33. Earth Work		\$0.00	36. Site Improvements		\$2,400.00
34. Site Work		\$0.00	37. Lawns and Planting		\$10,000.00
35. Roads and Walks		\$11,275.00	38. Unusual Site Conditions		\$0.00
			Site Work Subtotal		\$23,675.00
Environmental Mitigation		Totals \$2,206,280.00			
39. Lead-based Paint		\$20,500.00	Estimated Total Hard Cost		\$2,259,230.72
40. Asbestos		\$64,825.00	Inflation - enter amount		\$52,950.72
41			Contingency = Hard Cost + 10%		\$225,923.07
Environmental Mitigation Subtotal		\$85,325.00	Ovhd/Gen Req = Hard Cost +15% or 18%		\$338,884.60
Estimated Total Repair Cost					\$2,876,989.11
Previous edition is obsolete			Computerized form HUD-9552 Web-based		

	CENTER RIDGE APARTMENTS						
	517 Dixie Street Mobile, Alabama						
	CONSTRUCTION ITEMS	FORM		PER ITEM		TOTAL COST	HEALTH AND
	FHA CASE NO.: 062-35044	9552	UNIT	COST	QUAN.	PER ITEM	SAFETY
	DIVISION 1- ENVIRONMENTAL						
	No entry						
	DIVISION 2- SITEWORK & DEMOLITION						
02063E	Encapsulate roof overhangs at front & rear entry doors	39	EA	\$200.00	98	19,600.00	yes
02066I	Develop O&M plan for asbestos material	40	LS	\$750.00	1	750.00	yes
02080I	Remove asbestos flooring in units needing floor tile replacement	40	SF	\$2.75	23,300	\$64,075.00	yes
02086I	Develop O&M plan for lead based paint	39	LS	\$900.00	1	\$900.00	yes
02512E	New asphalt pavement on properly prepared sub grade at parking lots	35	SY	\$45.00	75	\$3,375.00	
02525E	Provide concrete curb cuts for handicapped	35	LS	\$1,050.00	2	\$2,100.00	
02618E	Parking stall painting	35	LS	\$800.00	1	\$800.00	
02711E	Remove and replace broken fencing	36	LF	\$12.00	200	\$2,400.00	
02775E	Repair concrete walks (Allowance)	35	LS	\$5,000.00	1	\$5,000.00	
02950E	Landscape allowance including removing tree at Bldg. 512B	37	LS	\$10,000.00	1	\$10,000.00	
	DIVISION 3- CONCRETE						
03330E	Provide new concrete ramps and landings for HC	1	EA	\$2,000.00	3	\$6,000.00	
	DIVISION 4- MASONRY						
04200E	Repair structural damage to CMU walls	2	LS	\$6,000.00	1	\$6,000.00	yes
	DIVISION 5- METALS						
	DIVISION 6- WOODS AND PLASTICS						
06115E	Replace roof sheathing	4	SF	\$2.50	12,000	\$30,000.00	
06220A	Replace closet shelves	5	EA	\$30.00	28	\$840.00	
06221A	Replace/provide closet rods	5	EA	\$10.00	28	\$280.00	
06223E	Repair/Replace damaged exterior wood trim	5	LF	\$25.00	200	\$5,000.00	
	DIVISION 7- THERMAL & MOISTURE. PRO.						
07530E	Remove and replace existing roofs system	8	SF	\$3.50	60,800	\$212,800.00	
07620E	New gutters at roof overhangs at front entry	9	LF	\$5.00	420	\$2,100.00	
07631E	Provide new downspouts at front entry	9	LF	\$3.00	830	\$2,490.00	
07920A	Caulking and Sealants	6	LS	\$5,000.00	1	\$5,000.00	

	DIVISION 8 - DOORS AND WINDOWS						
08110A	Replace Apartment entry doors at front and rear	10	EA	\$400.00	164	\$65,600.00	
08111I	Replace storm doors	10	EA	\$400.00	82	\$32,800.00	
08205A	Replace interior swing doors with hardware	10	EA	\$150.00	72	\$10,800.00	
08520A	Replace windows	10	EA	\$375.00	419	\$157,125.00	
08700A	Hardware replacement (Allowance)	10	LS	\$3,000.00	1	\$3,000.00	
	DIVISION 9 - FINISHES						
09250A	Repair Plaster Ceilings	13	SF	\$6.00	400	\$2,400.00	
09660A	Replace VCT	18	SF	\$2.00	23,300	\$46,600.00	
09920A	Interior painting-dwelling units	19	EA	\$750.00	83	\$62,250.00	
09923E	Exterior painting/ sealant/maintenance of wood trim	19	LS	\$40,000.00	1	\$40,000.00	
	DIVISION 10 - SPECIALTIES						
10150A	Provide new tub surrounds	20	EA	\$750.00	24	\$18,000.00	
10820A	Toilet accessories (Allowance)	20	LS	\$5,000.00	1	\$5,000.00	
10821A	Replace medicine Cabinets	20	EA	\$125.00	62	\$7,750.00	
	DIVISION 11 - EQUIPMENT						
11452A	Replace refrigerators	23	EA	\$600.00	24	\$14,400.00	
11453A	Replace stoves	23	EA	\$450.00	24	\$10,800.00	
	DIVISION 12 - FURNISHINGS						
12960A	Replace kitchen base cabinets	22	LF	\$100.00	656	\$65,600.00	
12461A	Replace kitchen wall cabinets	22	LF	\$75.00	656	\$49,200.00	
12462A	Replace kitchen countertops	22	LF	\$30.00	656	\$19,680.00	
12492A	Replace/Provide vinyl blinds at windows (Avg.)	24	EA	\$60.00	168	\$10,080.00	
	DIVISION 13 - SPECIAL CONSTRUCTION						
13001A	Modify units for HC Accessibility	26	APT	\$25,000.00	5	\$125,000.00	
13002A	Modify units for hearing and vision impaired	26	APT	\$2,000.00	2	\$4,000.00	
130031I	Modify offices for handicap accessibility	26	APT	\$20,00.00	1	\$20,000.00	
	DIVISION 15 - MECHANICAL						
15000A	Replace Gas Fired Furnace in unit	29	EA	\$1,350.00	83	\$112,050.00	yes
15000A	Add "Ductless Split Air Conditioning System" in Unit	30	EA	\$2,000.00,	83	\$166,000.00	
	DIVISION 15- PLUMBING						
15000A	Miscellaneous plumbing repair work	28	AV	\$450.00	83	\$37,350.00	yes
15000A	Kitchen Sink & Garbage Disposals	28	EA	\$650.00	83	\$53,950.00	yes
15000A	Replace water heater	28	EA	\$890.00	83	\$73,870.00	yes
15000A	Provide new bathtub liners	28	EA	\$150.00	83	\$12,450.00	yes
15000A	Provide new bathtub faucets	28	EA	\$255.00	83	\$21,165.00	yes
15000A	Provide new sink with faucets	28	EA	\$350.00	83	\$29,050.00	yes

15000A	Provide new water closet	28	EA	\$650.00	83	\$53,950.00	yes
	DIVISION 16 - ELECTRICAL						
16000	Replace all panels-100 amp 120/240 volt and feeders	31	EA	\$1,150.00	82	\$94,300.00	yes
16000	Add GFCI receptacles in kitchen and toilets	31	EA	\$135.00	249	\$33,615.00	yes
16000	Replace receptacles with grounding	31	EA	\$125.00	434	\$54,250.00	yes
16000	Replace switch plates	31	EA	\$50.00	45	\$2,250.00	yes
16000	Replace interior lighting	31	EA	\$175.00	83	\$14,525.00	
16000	Replace exterior light fixtures	31	EA	\$250.00	83	\$20,750.00	
16000	Electrical connections kitchen exhaust fan	31	EA	\$245.00	83	\$20,335.00	yes
16000	Additional Receptacles to comply NEC	31	EA	\$150.00	868	\$130,200.00	yes
16000	Replace all smoke detectors	31	EA	\$125.00	83	\$10,375.00	yes
16000	Replace wiring	31	EA	\$1,550.00	75	\$116,250.00	yes
				SUBTOTAL		\$2,206,280.00	
				Inflation 2.4%		\$52,950.72	
				SUBTOTAL		\$2,259,230.72	
				O.H. & Profit, A&E (15%)		\$338,884.60	
				Contingency (10%)		\$225,923.07	
				GRAND TOTAL		\$2,876,989.11	